

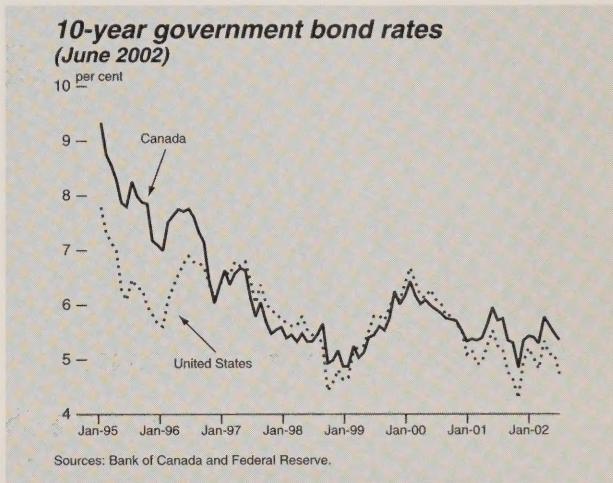
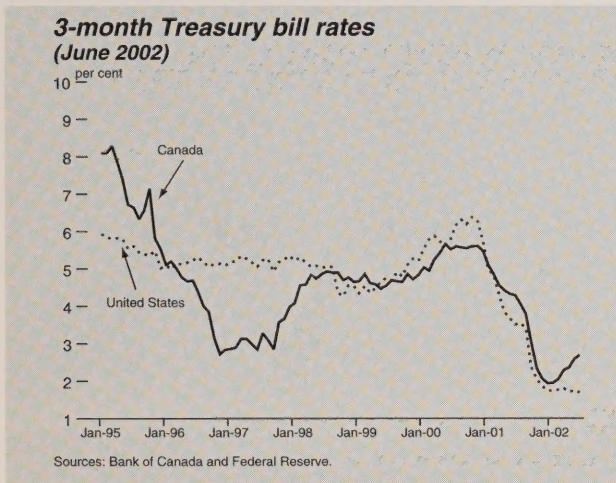
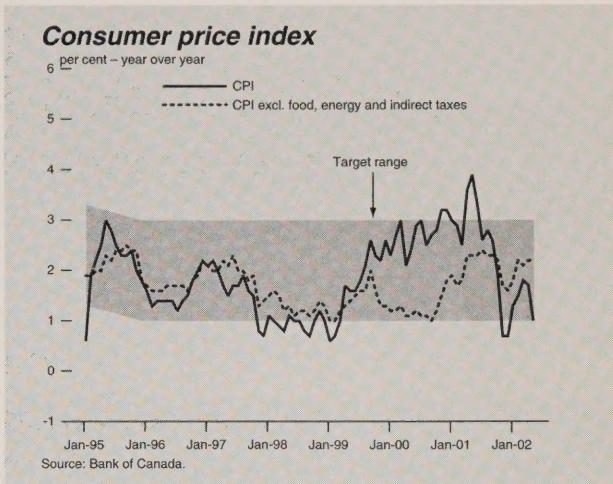
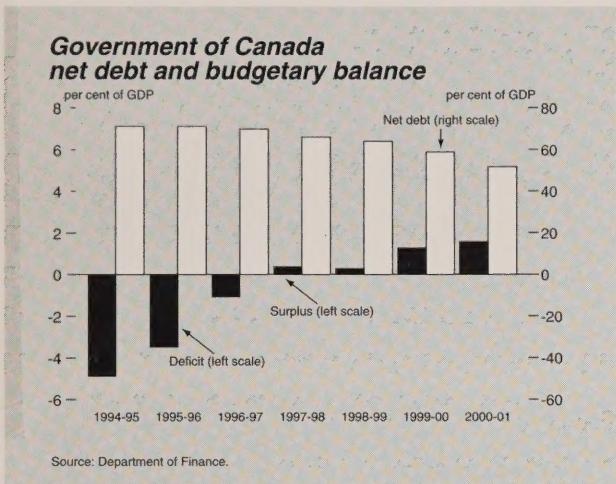
Government of Canada Securities

A Publication of the Department of Finance

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July 2002

Canadian Economy



Upcoming economic data releases of interest

August

- July Labour Force Survey (August 9)
- July CPI (August 21)
- National and Economic Accounts April-June 2002 (August 30)
- June Real GDP (August 30)

September

- August Labour Force Survey (September 6)
- August CPI (September 20)
- July Real GDP (September 30)

October

- September Labour Force Survey (October 11)
- September CPI (October 23)
- August Real GDP (October 31)

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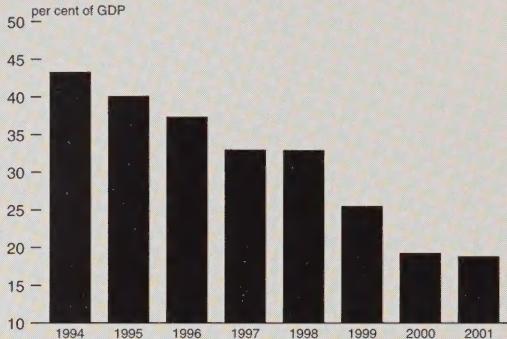
Canadian Economy

Selected Canadian economic statistics

	2000	2001	2001	Q2	Q3	Q4	2002
							Q1
Annualized growth rates (per cent)							
Real GDP		4.5	1.5	0.9	-0.5	2.9	6.0
Final domestic demand		4.0	2.5	2.8	2.1	0.3	3.5
Employment growth		2.6	1.1	0.8	-0.2	0.5	2.8
Other							
Unemployment rate		6.8	7.2	7.0	7.2	7.7	7.8
Current account balance (percentage of GDP)		2.6	2.8	3.1	1.6	1.6	2.1

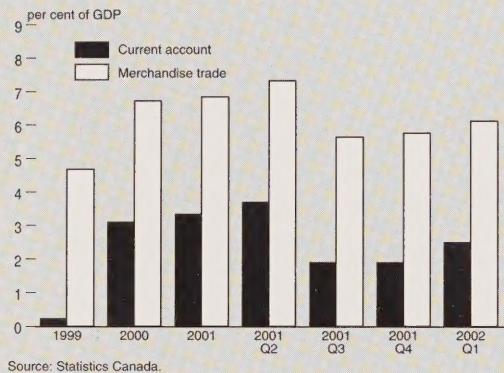
Source: Statistics Canada.

Canada's net international liabilities



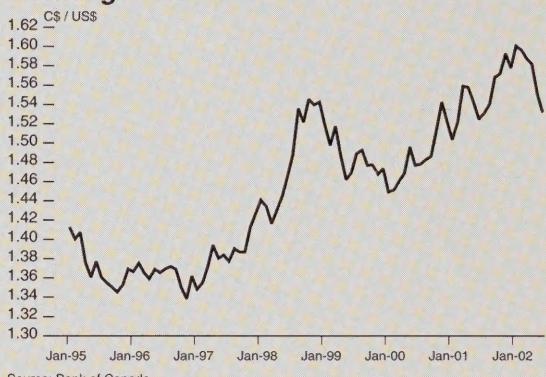
Source: Statistics Canada.

Canada's current account balance and merchandise trade balance



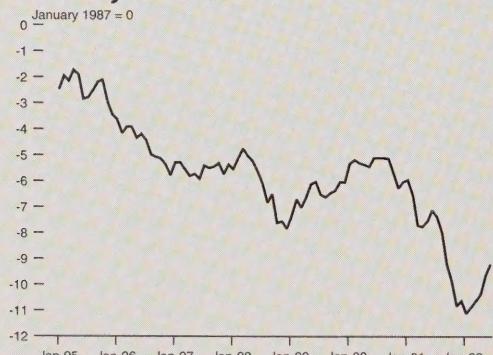
Source: Statistics Canada.

Exchange rate



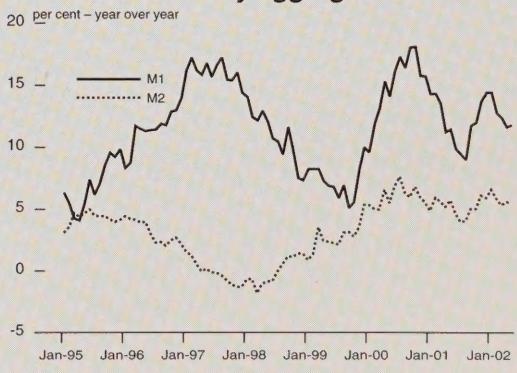
Source: Bank of Canada.

Monetary conditions index



Source: Bank of Canada.

Canadian monetary aggregates

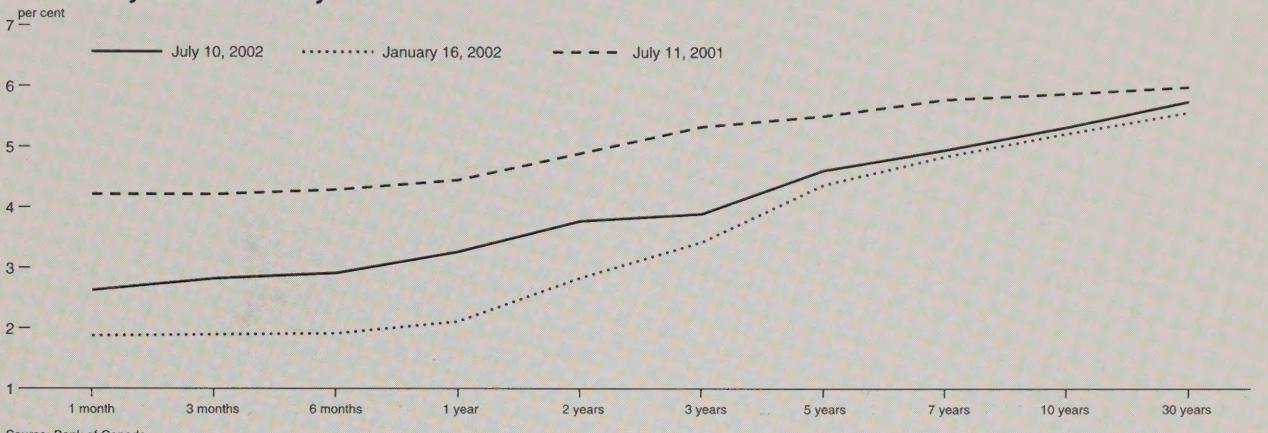


Source: Bank of Canada.

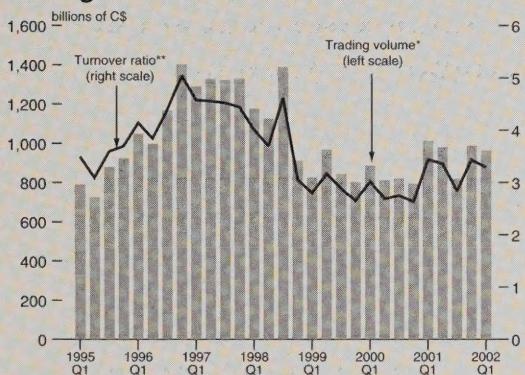
Government of Canada Securities

Secondary Market

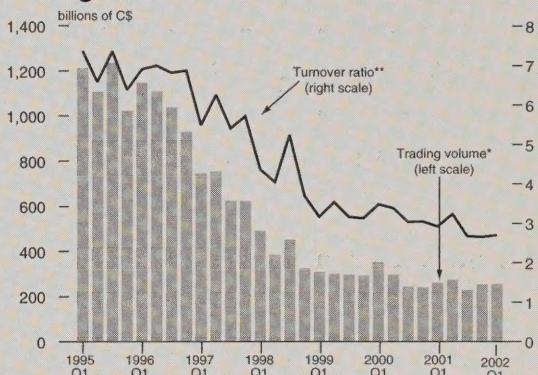
Canadian yield-to-maturity curve



Government of Canada bonds trading volume and turnover ratio



Government of Canada Treasury bills trading volume and turnover ratio



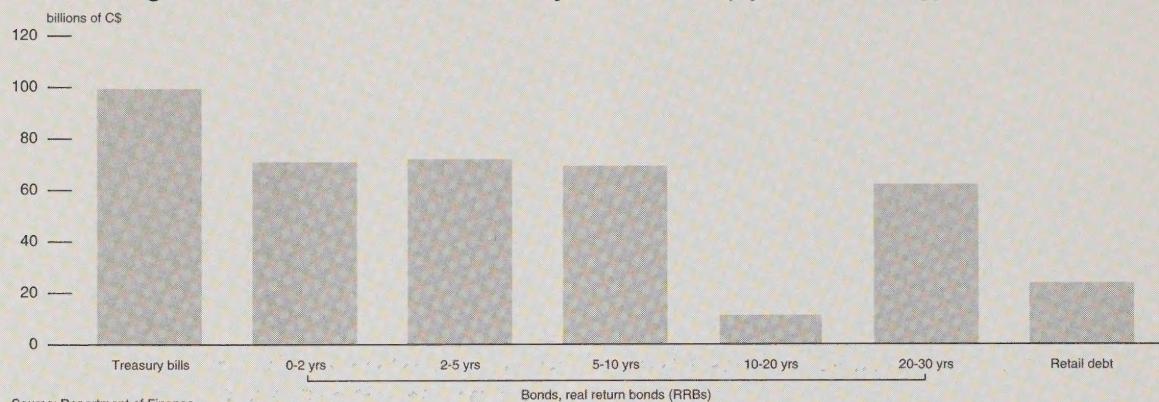
Government securities distributors

- Bank of Montreal (Treasury bills only)
- Beacon Securities Limited
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- The Toronto-Dominion Bank

Government of Canada Securities

Primary Market

Outstanding Government of Canada Treasury bills, bonds (by term maturity) and retail debt



Recent Government of Canada bond auction results

Auction date	Term (years)	Maturity date	Coupon rate (%)	Issue amount (millions of dollars)	Average price	Average yield (%)	Auction coverage*	Tail** (basis points)
July 10, 2002	30	June 1, 2033	5.75	1,900	99.978	5.751	2.209	0.9
June 5, 2002	30	Dec. 1, 2031	4***	400	108.954	3.510	3.263	n/a
May 29, 2002	2	Dec. 1, 2004	4.25	3,500	99.503	4.462	2.244	0.8
May 15, 2002	5	Sept. 1, 2007	4.5	2,400	96.136	5.348	2.28	1
April 17, 2002	10	June 1, 2012	5.25	2,400	96.445	5.717	2.258	0.8

*Coverage is defined as the ratio of total bids at auction to the amount auctioned.

**Tail is defined as the high accepted yield minus the average yield.

***RRB.

Source: Bank of Canada.

Upcoming Government of Canada bond auctions

Type of issue	Auction date (2002)	Further details of issue (2002)	Dated and delivered (2002)	Amount maturing* (millions of dollars)
10-year auction	July 31	July 25	August 6	
5-year auction	August 14	August 8	August 19	
2-year auction	August 28	August 22	August 30	

Note: In addition, this quarter one repurchase operation was held on July 10, 2002, and three are planned in conjunction with each nominal bond auction. Also, one pilot switch repurchase operation was held on July 17, 2002, in the 5-year sector and one will take place on September 25, 2002, in the 10-year sector. Further details will be released on the Thursday prior to these operations. The target amount for repurchase this quarter is \$3.2 billion.

* Maturity of \$9,134 million on September 1, 2002.

Source: Bank of Canada.

Government of Canada Securities

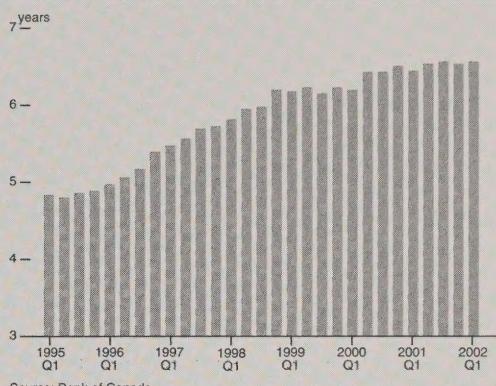
Primary Market

Government of Canada bond market benchmarks

Term	Maturity	Coupon	Amount outstanding (millions of dollars)	Yield (July 17, 2002)
		(%)		(%)
Fixed-coupon				
2-year	June 1, 2004	3.50	7,000	3.61
5-year	Sept. 1, 2006	5.75	10,000	4.54
10-year	June 1, 2011	6.00	15,000	5.33
30-year	June 1, 2029	5.75	13,900	5.78
Real return				
30-year	Dec. 1, 2026	4.25	5,250	3.42

Source: Department of Finance.

Average term to maturity of Government of Canada marketable debt



Upcoming Government of Canada marketable bond maturities

July-September 2002	October-December 2002	January-March 2003	April-June 2003
(millions of dollars)			
8,559	5,103	1,733	13,516

Outstanding Government of Canada foreign currency debt (as of December 31, 2001)

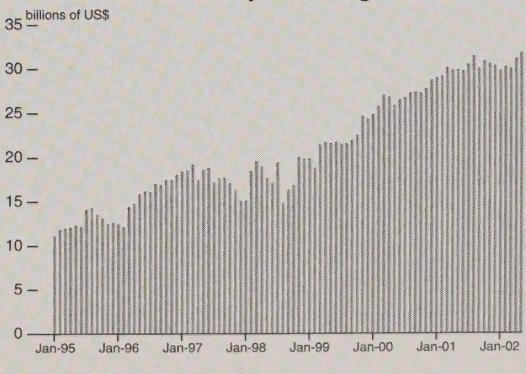
	(C\$ millions)*
Canada bills	4,279
Canada notes	1,370
Outstanding under EMTN program	3,466
5% US\$ bonds maturing February 19, 2003	3,186
6% US\$ bonds maturing November 30, 2004	3,186
6% US\$ bonds maturing July 21, 2005	2,389
6% US\$ bonds maturing August 28, 2006	1,593
6% NZ\$ bonds maturing October 3, 2007	332
4% EUR bonds maturing July 7, 2008**	2,900
5 1/4% US\$ bonds maturing November 5, 2008	3,982

* Converted to Canadian dollars (US\$ = C\$1.5928, JPY = C\$0.01211, GBP = C\$2.3166, DKK = C\$0.1908, EUR = C\$1.4182, GRD = C\$0.004163, NOK = C\$0.1774 and NZ\$ = C\$0.6630); closing spot rates at December 31, 2001.

** Original issue in Deutsche Marks was redenominated into euro on February 19, 1999.

Source: Bank of Canada.

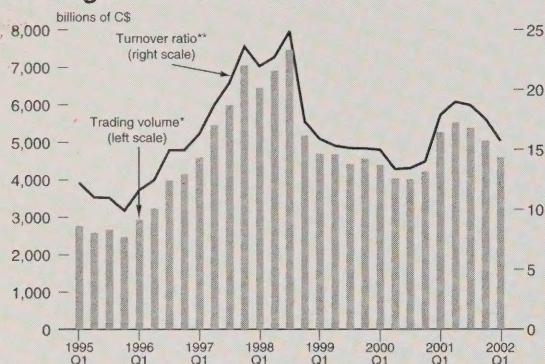
Canada's level of liquid foreign reserves



Government of Canada Securities

Secondary Market

Government of Canada bond repos trading volume and turnover ratio

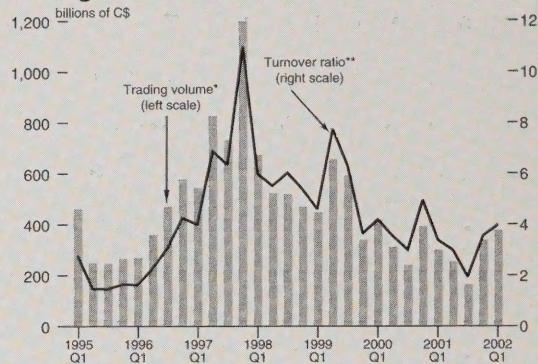


*Trading volume is total trading volume in each quarter.

**Turnover ratio = total trading volume in each quarter/stock.

Source: Bank of Canada.

Government of Canada Treasury bill repos trading volume and turnover ratio

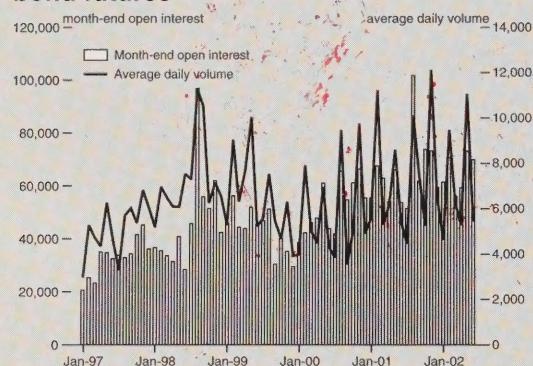


*Trading volume is total trading volume in each quarter.

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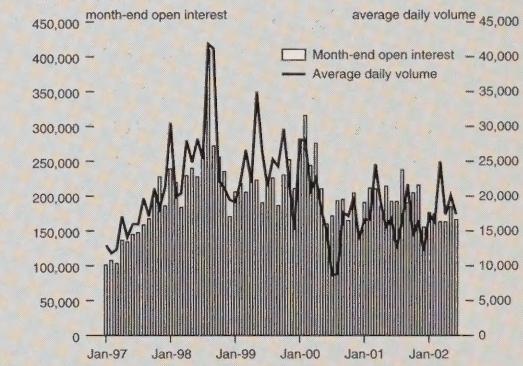
Source: Bank of Canada.

10-year Government of Canada bond futures



Source: The Montreal Exchange.

3-month bankers acceptance futures



Source: The Montreal Exchange.

Government of Canada long-term credit ratings

	Standard & Poor's Current	Moody's Investors Service Current	Dominion Bond Rating Service Current
Domestic debt - Trend	AAA Stable	Aaa Stable	AAA Stable
Foreign debt - Trend	AAA Stable	Aaa Stable	AA (high) Stable

This publication is also available on the Internet at www.fin.gc.ca.
Except as noted, the information in *Government of Canada Securities* is based upon data available as of July 18, 2002.

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